

**AMPLE SCHOOL FUNDING PROJECT FOR
WASHINGTON STATE**

Research Report January 27, 2005

**BASIC EDUCATION GENERAL
APPORTIONMENT PROGRAM FUNDING
ISSUES**

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Rationale for the Ample School Funding Project

The Washington Association of School Administrators (WASA) initiated the Ample School Funding Project in November 2003. The project emerged from the growing realization that the State of Washington is not meeting its constitutional responsibility to make ample provision for education as required by the Washington State Constitution. This has led to increasing pressure and frustration being experienced by the K-12 community in meeting new state and federal educational expectations with insufficient resources to accomplish the tasks delegated to them.

Although there have been recent proposals before the State Legislature to conduct a comprehensive K-12 study to examine the adequacy of basic education funding, no such studies were approved by the state legislature in either 2003 or 2004. In the absence of such a state sponsored study, WASA established this project to study our state's K-12 finance system on a program-by-program basis. This research paper is the third of a series of papers and concerns the extent to which state funding of the main basic education program, general apportionment, meets the requirements of the state Constitution to make ample provision for the education of resident children through a general and uniform system of public schools.

Executive Summary

Washington’s K-12 funding structure is the result of the legislature’s response to two court decisions, School Funding I (1978) and School Funding II (1983).¹ These cases concerned whether the state funding of public schools met the following requirements of the Washington State Constitution:

“It is the paramount duty of the state to make ample provision for the education of all children residing within its borders”(Article IX, Section 1)

*“The legislature shall provide for a general and uniform system of public schools.
.....”*
(Article IX, Section 2)

The courts in interpreting the meaning of the State Constitution in these two court cases established various requirements concerning the state’s paramount duty, including that:

- The legislature state must define and adequately fund basic education through a general and uniform system.
- Special levies may not be used to offset the state’s basic education funding responsibility directly or indirectly, and
- The legislature *“is required to continually review, evaluate, and revise, if necessary, the educational system of the state and the program of education and its funding to meet the current needs of the children of the state.”* School Funding II, Thurston County 81-2-1713-1, 63.

The Supreme Court did not deal definitively with the meaning of the word “ample” and considered it a guideline, leaving intact the trial court’s opinion that “ample” means liberal, unrestrained, without parsimony and fully sufficient. School Funding I at 90 Wn. 2d 515-516.

The 1977 Legislature responded to the early-January 1977 trial court ruling by enacting three key pieces of legislation, including:

- The Basic Education Act, defining the state’s basic education obligation principally in terms of general apportionment formula inputs consisting of minimum state funded staff per student ratios and establishing minimum curriculum offerings and program hours to be provided by school districts for the core, regular education of students.

¹ School Funding I, *Seattle School District v. State*, 90 Wn. 2nd 476, 585 P.2d 71 (1978)
School Funding II, Thurston County 81-2-1713-1

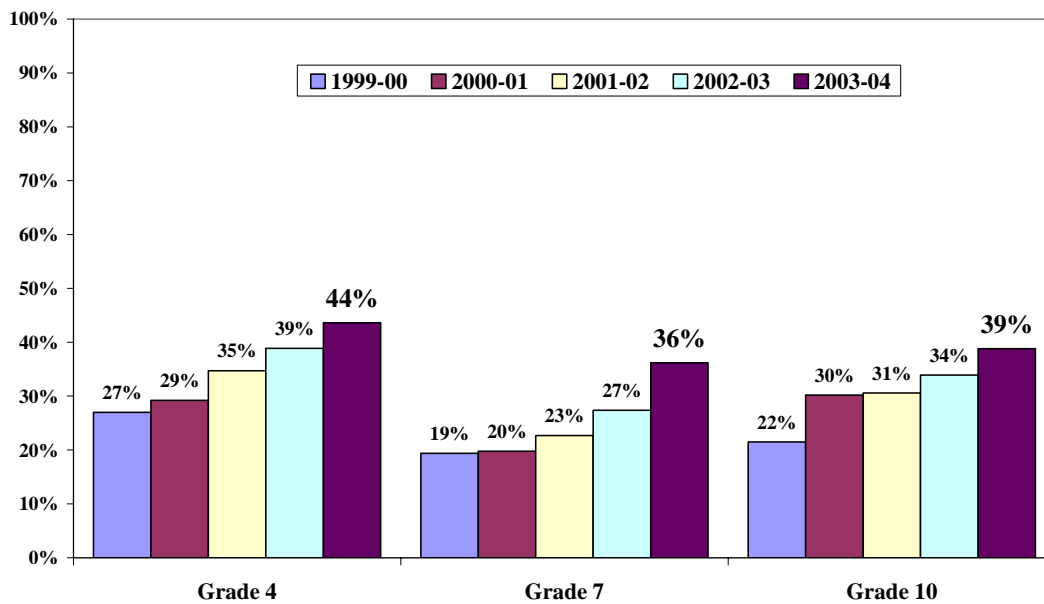
- The state Appropriations Act, explicitly defining the state's basic education obligation in the general apportionment formula in terms of staff per student ratios and other cost factors,
- The Levy Lid Act, limiting the maintenance and operations levy authority of school districts to 10 percent of state basic education allocations with a four-year timeline for districts with levies exceeding 10 percent to ramp down to 10 percent.

Since its enactment, the central funding piece of the Basic Education Act, the general apportionment formula remains largely unchanged in terms of various key basic education formula components that were first developed in 1972. On the other hand, the educational expectations of the state were changed significantly through enactment of Performance-Based Education in 1992 and Education Reform in 1993. These acts instigated an education reform process designed to replace the input based (student seat-time) concept established in the 1977 Basic Education Act with a performance-based system with the following attributes:

- State defined educational expectations in terms of what students were supposed to know and be able to do (essential academic learning requirements based on high standards).
- An assessment system designed to measure student's attainment of the academic requirements (the Washington Assessment of Student Learning or WASL), and
- Accountability measures for districts and students, including passing the 10th grade WASL as a requisite for high school graduation beginning with the class of 2008.

The state and school districts have engaged in implementing education reform for more than a decade. Education Reform is firmly embedded of public education by the state's 296 school districts. WASL results are now available to gauge the extent to which students meet state standards. The graph below shows state WASL results from 1999-2004.

Percent of Students Meeting Standards in Three Subjects (Reading, Mathematics Writing)



Student performance has improved substantially from 1999 to 2004. However, in 2003-04, more than half the students tested did not meet the WASL standards in all content areas and only 39 percent of 10th graders met WASL standards. Unless something changes, it appears that large numbers of students will not meet graduation requirements starting in 2008.

Since 1993-94, the state has funded various education reform programs to assist school districts in its implementation. State funding of education reform programs has not been based on an assessment of amounts needed, but rather, on the outcome of the political budgetary process.

The 1993 Education Reform Act created a Joint Legislative Fiscal Committee to study the common school funding system and to submit a report in 1995 on its findings and any recommendations for a new funding model. The committee's report recognized that it was difficult for a legislature to alter a public school finance system significantly in a short time span and recommended that the finance system be reviewed on a regular basis. No comprehensive study was undertaken at the time by the legislature.

Since 1995, other requests for comprehensive K-12 funding studies have emanated from various special legislative committee studies and from the governor, the superintendent of public instruction and others but have gone unheeded by the legislature. Regarding the general apportionment program, no state adequacy of funding studies have been approved or performed since the Miller Report in 1976.² However, three very recent

² In 2004, a Joint Appropriations and Education Committee Interim Workgroup of the Washington House of Representatives conducted a "structural" K-12 funding study but not an adequacy study.

studies of the state's K-12 funding system have been conducted by others. These studies generally conclude that public schools are not provided sufficient resources to attain the state's educational expectations.

In 2002-03, school districts expended \$4.910 billion in the general apportionment program. Of that amount, an estimated \$698 million or 14.2 percent came from local funding sources equivalent to more than 61 percent of district special levy revenues.³ The state's school districts collectively expended more than received from the state for apportionment formula components, including staff salaries, staffing ratios and non-employee related costs.

Washington courts have consistently ruled that it is the paramount duty of the state to make ample provision for the education of its resident students. A guideline used by the court for the meaning of "ample" is "without parsimony". Within a decade of enactment of the 1977 Basic Education and Levy Lid Acts, Washington's national standing in terms of current expenditures per student that had been above the national average in previous decades declined and are now well below the national average. In addition to below national average current expenditures per student, Washington is also below the national average in beginning and average teacher salaries and well below the national average in teacher to student ratios. This funding record does not appear to be in concert with the court's requirement that state funding should be "without parsimony".

Washington courts have ruled that special levies may not be used, directly or indirectly, to offset the state's basic education obligation. Since 1979, actions of the legislature have significantly increased the levy authority of school districts. Other legislative actions have facilitated and resulted in the use of special levies by school districts in the provision of basic education. In 2002-03, almost 61 percent of available special levy revenues (\$698 million) were used by school districts for the general apportionment program.

Washington courts have held that the legislature must continually review, evaluate, and revise if necessary, the educational system of the state and the program of education and its funding to meet the current needs of the children of the state. Starting in 1992, the legislature redefined the state's basic education educational expectations but not the basic education funding formula.

Requests for comprehensive K-12 funding studies over the last 10 years have not been heeded by the legislature. That more than 50 percent of students do not meet WASL standards in all content areas may be indicative that state funding of the public schools is not keeping pace with the educational needs of students and school districts as established by the state and federal governments. While the state has studied the structure of K-12 funding, the state has failed to study the adequacy of basic education funding. This failure has resulted in an emerging crisis of basic education funding adequacy and of commitment and responsibility.

³ Includes \$204.3 million expended for certificated instructional staff supplemental contracts.